

Agency of Commerce & Community Development

Capital Investment Program



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AGENDA

Capital Investment Program Overview

\$10,580,000

Vermont was awarded \$1.05 billion in Coronavirus State and Local Fiscal Recovery Funds (Recovery Funding) as part of the federal American Rescue Plan Act of 2021. The Governor's Recovery Plan is focused on transparent investments in key infrastructure needs including housing, broadband, waste water and sewer systems, climate change prevention and mitigation, and economic development.

The explicit objective of this plan is to provide long term economic recovery opportunities to communities statewide, with a focus on those with the greatest demographic declines over the past 20 years. The Vermont legislature passed, and Governor Scott signed Act 74 which established the Capital Investment Program (CIP) to: **Make funding available for transformational projects that will provide each region of the State with the opportunity to attract and retain businesses, create jobs, and invest in their communities by encouraging capital investments and economic growth.**

Applicant Profile: Who may be eligible?

For profit and non-profit entities who have transformational capital projects in the works may be eligible for the program.

Specifically, the legislation outlines the requirements that funded projects will:

- 1.) Be “transformational”;
- 2.) Attract new businesses or retain existing businesses;
- 3.) Be geographically distributed across the state; and
- 4.) Encourage capital investment and economic growth.

“Transformational projects” are those that have impacts beyond the immediate economic impacts of job and wage growth directly associated with the investment.

These additional impacts can include:

- Regional impacts on workforce development or supply chain improvements;
- Adding stability to local areas with fragile economic conditions; and
- Sector-wide impacts that other businesses will be able to benefit from

Applicants can describe the transformational aspects of their proposals by adding as much specificity as possible on those three categories of impact – regional impacts, local economy stabilization and sector wide impacts

New and Retained businesses are identified by applicants by describing the specific business activities that will be supported by the CIP award as a part of the overall project.

Geographic distribution will be gauged by the Agency looking at the distribution across the Vermont counties as well as the specific community type that may have suffered specific Covid related negative impacts.

Capital investment and economic impact are measured by the value of leveraged investments designed into the project implementation and an analysis of the differing levels of indirect and induced impacts of the project.

PROJECT FUNDING GUIDELINES

Grant funding from the Program cannot represent more than 50 percent of the total project cost.

The applicant must demonstrate:

- 1.) COVID impact or, 2.) be in the hospitality sector or 3.) be in a qualified census tract (see *link below*)*
- To determine if your census tract is qualified, look up your Census Tract Name here: [HUD](#)
- That grant funding is needed to complete the project.
- The leveraging of additional sources of funding from local, State, or federal economic development programs; and
- An ability to manage the project, with requisite experience and a plan for fiscal viability.
- Community and regional support for the project.

The total grant for an individual project will not exceed the lesser of \$1,500,000 or the calculation of the net fiscal, economic, and social impact of the proposed project to the State as determined by the net fiscal impact model approved by the Joint Fiscal Committee.

ELIGIBILITY REQUIREMENTS

Act 74 requires that eligible applicants:

- are located within this State, and
- are a for-profit entity with not less than a 10 percent equity interest in the project; or
- are a nonprofit entity; and
- are in good standing with the State and Federal government

The following are ineligible to apply for a grant:

- State or local government-operated businesses
- municipalities
- businesses that, together with any affiliated business, owns or operates more than 20 locations, regardless of whether those locations do business under the same name or within the same industry: and
- publicly-traded companies

APPLICATION & FUNDING TIMELINE INDICATIONS

- NOFO posted: September 27, 2021
- Quarterly Application Window Closes: December 27, 2021
- **Decisions on Funding: January 2022, based on application volumes**

Stage I: Eligible applicants will submit a first-stage application. Those applicants will receive feedback, and may be asked for additional project information.

- During the period of review, analysis will be conducted and used for determining **the qualified candidates that will be invited to proceed to the Stage II Application process.** ACCD encourages all applicants to respond as soon as possible for the first-stage of the process.

Stage II: After review of the full Stage I application, qualified applicants will complete and submit a final application by December 27, 2021. During the Stage II process additional project specific information will be requested that was not a part of the Stage I application.

APPLICATION & FUNDING TIMELINE INDICATIONS

- Stage 1 Application Instructions can be found on ACCD's website here: [Capital Investment Grant Program Application Outline and Instructions.pdf \(vermont.gov\)](#)
- The State 1 application is a five-page online web form and will require an updated internet browser.
- Stage 1 Applications will need the following information:
 - Applicant Information and Organization Contact
 - Project Impact
 - Breakdown of Project Costs
 - List and Details of other secured or anticipated funding streams
 - Project Information needed:
 - Amount being requested (no more than 50% of total project costs)
 - Project Description
 - Anticipated Project Start Date
 - Anticipated Project End Date
 - Capital Spending Activity
 - Impact on direct jobs and compensation over the next 5 years.

Please reserve time to complete the Stage 1 application IN ITS ENTIRETY. The applications can NOT BE SAVED once started. Please familiarize yourself with the Application Instructions linked and prepare to complete the application.

AWARD DECISION PROCESS AND PROCEDURES

- Using the data model and methodology approved by the Joint Fiscal Committee that assesses and prioritizes the fiscal, economic, and societal impacts of proposals. The Agency will analyze the information provided in an application to estimate the net State fiscal impact of a project, including the following factors:
 - **increase to the site's grand list value.**
 - **improvements to the supply chain.**
 - **jobs impact, including the number and quality of new jobs; and**
 - **increase to State GDP.**

An interagency team, which may include members from among the Department of Economic Development, the Department of Housing and Community Development, the Agency of Agriculture, Food and Markets, the Department of Public Service, the Agency of Natural Resources, or other State agencies and departments, shall review, analyze, and rank projects for funding based on the estimated net State fiscal impact of a project and on other contributing factors, including:

- **transformational nature of the project for the region.**
- **project readiness, quality, and demonstrated collaboration with stakeholders and other funding sources.**
- **alignment and consistency with regional plans and priorities; and**
- **creation and retention of workforce opportunities.**
- **Statement of need**
- **Population served**
- **Measurable results and evaluation**
- **Equity impact**
- **Opportunities for coordinated projects**
- **Program specific considerations**
- **Amount of match provided.**

AWARD DECISION PROCESS AND PROCEDURES

AWARD AMOUNT & ELIGIBLE USES

- An award shall not exceed the lesser of \$1,500,000.00 or the calculation of the net fiscal, economic, and social impact of the proposed project to the State as determined by the net fiscal impact model approved by the Joint Fiscal Committee.
- A recipient may use grant funds for the acquisition of property and equipment, construction, renovation, and related capital expenses.
- A recipient may pair funds from this program with other grant funding sources for overall project costs but shall not use grant funds from multiple sources for the same costs within the same project.
- The award will be subject to the execution of a grant agreement. The Agency shall release grant funds upon determining that the applicant has met all Program conditions and requirements.

CONTACT US WITH QUESTIONS!

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